

NOVEMBER 29, 2001

Pursuant to the instructions of the Commission's Executive Director, Verizon Advanced Data published a Notice of Filing one time in newspapers of general circulation. That company provided proof of publication. No Protests or Petitions to

Intervene were received. Accordingly, Verizon Advanced Data moves for expedited review of this matter. We grant expedited review, and note that the Company has filed the verified testimony of Stan J. Bugner and Thomas A. Kiernan to support its Application.

The testimony of Stan J. Bugner stated that as a condition of GTE Corporation's merger with Bell Atlantic Corporation, the FCC required the merged Company, Verizon, to establish a structurally separate affiliate to provide certain advanced services, including frame relay, switched multi-megabit data, and asynchronous transfer mode services. It was thus necessary for Verizon to transfer the intrastate assets used to provide these services to the new company, known as Verizon Advanced Data, Inc. According to Bugner, Verizon would not have transferred its advanced services operations or assets to this company, but for the FCC's merger condition. Bugner goes on to explain that in January 2001, the United States Court of Appeals for the District of Columbia vacated the FCC's reasoning supporting the advanced services structural separation requirement. Subsequently, the Company obtained the FCC's specific approval to immediately transition its advanced services operations out of the separate affiliate.

Bugner states that the reintegration of advanced services into Verizon South will be transparent to the customer. Verizon South will adopt the same rates currently in effect in the existing tariffs. If contracts are involved, these will be assigned to Verizon South. Verizon South will provide customers appropriate notifications of the change in their service provider.

Thomas A. Kiernan also provided testimony on behalf of the Application.

We have considered the entire record of this matter thoroughly, and have concluded that the Application should be approved as filed. Clearly, the Court decision removed the FCC requirement for structural separation, thus, ending the need for the particular services to be provided by the separate affiliate. Reintegration under the conditions described in the testimony makes sense under this scenario. Accordingly, the Application is granted as filed.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Chairman

ATTEST:



Executive Director

(SEAL)